

AMENDED IN SENATE MAY 14, 2014
AMENDED IN ASSEMBLY JANUARY 6, 2014
AMENDED IN ASSEMBLY APRIL 23, 2013
AMENDED IN ASSEMBLY APRIL 8, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 769

Introduced by Assembly Member Skinner

February 21, 2013

~~An act to amend Section 402.5 of the Revenue and Taxation Code, relating to taxation. An act to add and repeal Section 6356.9 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 769, as amended, Skinner. ~~Property taxation: valuing property: comparable sales. Sales and use taxes: exemption: efficient clothes washers.~~

Existing sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state, as measured by sales price. Those laws provides various exemptions from those taxes.

This bill would, on and after July 1, 2014, exempt from those taxes the gross receipts and the sales price that do not exceed \$750 from the sale of, and the storage, use, or other consumption in this state of, a

qualified efficient clothes washer purchased for installation and use in this state.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and existing law authorizes districts, as specified, to impose transactions and use taxes in conformity with the Transactions and Use Tax Law, which conforms to the Sales and Use Tax Law. Exemptions from state sales and use taxes are incorporated into these laws.

This bill would specify that this exemption does not apply to local sales and use taxes, transactions and use taxes, and specified state taxes from which revenues are deposited into the Fiscal Recovery Fund, Local Public Safety Fund, the Education Protection Account, Local Revenue Fund, and Local Revenue Fund 2011.

This bill would be in effect until July 1, 2015, unless the state of emergency declared by the Governor due to drought conditions on January 17, 2014, is terminated before July 1, 2015, and would provide that in that event, this bill would remain in effect only until midnight on the first day of the first calendar quarter commencing more than 60 days after the date of the termination of the state of emergency.

This bill would take effect immediately as a tax levy.

~~Existing property tax law requires, when valuing property by comparison with sales of other properties, that to be considered comparable the sales be sufficiently near in time to the valuation date and that the properties sold be located sufficiently near, and be sufficiently alike, the property being valued, as specified.~~

~~This bill would make a clarifying change to this provision.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. The Legislature finds and declares all of the*
- 2 *following:*
- 3 *(a) Water is a finite resource in California, and dry hydrologic*
- 4 *conditions caused by current drought conditions increase the*
- 5 *uncertainty of water supplies.*
- 6 *(b) The 2013 calendar year was the driest year on record in*
- 7 *California, and persistent dry conditions since 2012 have led to*

1 *alarmingly low water levels in the state's snowpack, reservoirs,*
2 *river systems, and underground aquifers.*

3 *(c) Reliable water supplies are essential for public health and*
4 *safety; the stability of local, regional, and statewide economies;*
5 *and food security.*

6 *(d) Water use efficiency and conservation measures, including*
7 *the use of efficient clothes washers, are effective strategies for*
8 *helping local communities withstand drought conditions and*
9 *respond to increasing water scarcity.*

10 *SEC. 2. It is the intent of the Legislature to provide for a sales*
11 *and use tax exemption for the sale of, and the storage, use, or other*
12 *consumption of, efficient clothes washers from a portion of the*
13 *state sales and use taxes to reduce household water usage amid*
14 *the exceptional drought California is facing.*

15 *SEC. 3. Section 6356.9 is added to the Revenue and Taxation*
16 *Code, to read:*

17 *6356.9. (a) On and after July 1, 2014, there are exempted*
18 *from the taxes imposed by this part the gross receipts that do not*
19 *exceed seven hundred fifty dollars (\$750) from the sale of, and the*
20 *storage, use, or other consumption in this state, as measured by*
21 *sales price that does not exceed seven hundred fifty dollars (\$750)*
22 *of, a qualified efficient clothes washer purchased for installation*
23 *and use in this state.*

24 *(b) For purposes of this section, "qualified efficient clothes*
25 *washer" means any residential or commercial washer of a model*
26 *that has been recognized by the United States Environmental*
27 *Protection Agency as meeting the agency's performance*
28 *requirements under the ENERGY STAR program, established*
29 *pursuant to Section 6294a of Title 42 of the United States Code,*
30 *and at the time of sale or purchase is included on the list entitled*
31 *"ENERGY STAR Certified Residential Clothes Washers" or*
32 *"ENERGY STAR Certified Commercial Clothes Washers"*
33 *maintained by the agency, in effect on the effective date of this*
34 *section.*

35 *(c) (1) Notwithstanding the Bradley-Burns Uniform Local Sales*
36 *and Use Tax Law (Part 1.5 (commencing with Section 7200)) and*
37 *the Transactions and Use Tax Law (Part 1.6 (commencing with*
38 *Section 7251)), the exemption established by this section shall not*
39 *apply with respect to any tax levied by a county, city, or district*
40 *pursuant to, or in accordance with, either of those laws.*

(2) Notwithstanding subdivision (a), the exemption established by this section shall not apply with respect to any tax levied pursuant to Section 6051.2, 6051.5, 6201.2, or 6201.5, pursuant to Section 35 and subdivision (f) of Section 36 of Article XIII of the California Constitution, or any tax levied pursuant to Section 6051 or 6201 that is deposited in the State Treasury to the credit of the Local Revenue Fund 2011 pursuant to Section 6051.15 or 6201.15.

(d) This section shall remain in effect until July 1, 2015, and as of that date is repealed, unless the state of emergency declared by the Governor due to drought conditions on January 17, 2014, is terminated before July 1, 2015, in accordance with Section 8629 of the Government Code. In that event, this section shall remain in effect only until midnight on the first day of the first calendar quarter commencing more than 60 days after the date of the termination of the state of emergency, and as of that date is repealed.

SEC. 4. This act provides for a tax levy within the meaning of Article IV of the Constitution and shall go into immediate effect.

SECTION 1. ~~Section 402.5 of the Revenue and Taxation Code is amended to read:~~

~~402.5. When valuing property by comparison with sales of other properties, in order to be considered comparable, the sales shall be sufficiently near in time to the valuation date, and the properties sold shall be located sufficiently near the property being valued, and shall be sufficiently alike in respect to character, size, situation, usability, zoning, or other legal restriction as to use unless rebutted pursuant to Section 402.1, to make it clear that the properties sold and the properties being valued are comparable in value and that the cash equivalent price realized for the properties sold may fairly be considered as shedding light on the value of the property being valued. "Near in time to the valuation date" does not include any sale more than 90 days after the valuation date.~~